SALES & EARNINGS

Company	Period Ended	Current Sales*	Year-Ago Sales*	% Change	Current Earnings*	Year-Ago Earnings*	% Change
Lowe's	11/25-4 wks.	$114,800	$84,900	35	—	—	—
Pay 'N Pak	11/30-3rd qtr.	68,106	51,755	32	$3,126	$2,124	47
Scott's	10/29-3rd qtr.	8,647	7,126	21	65	4	1,525
Scotty's	11/26-4 wks.	31,600	25,900	22	—	—	—

*$ in thousands

Source: Company reports

STOCK PRICES

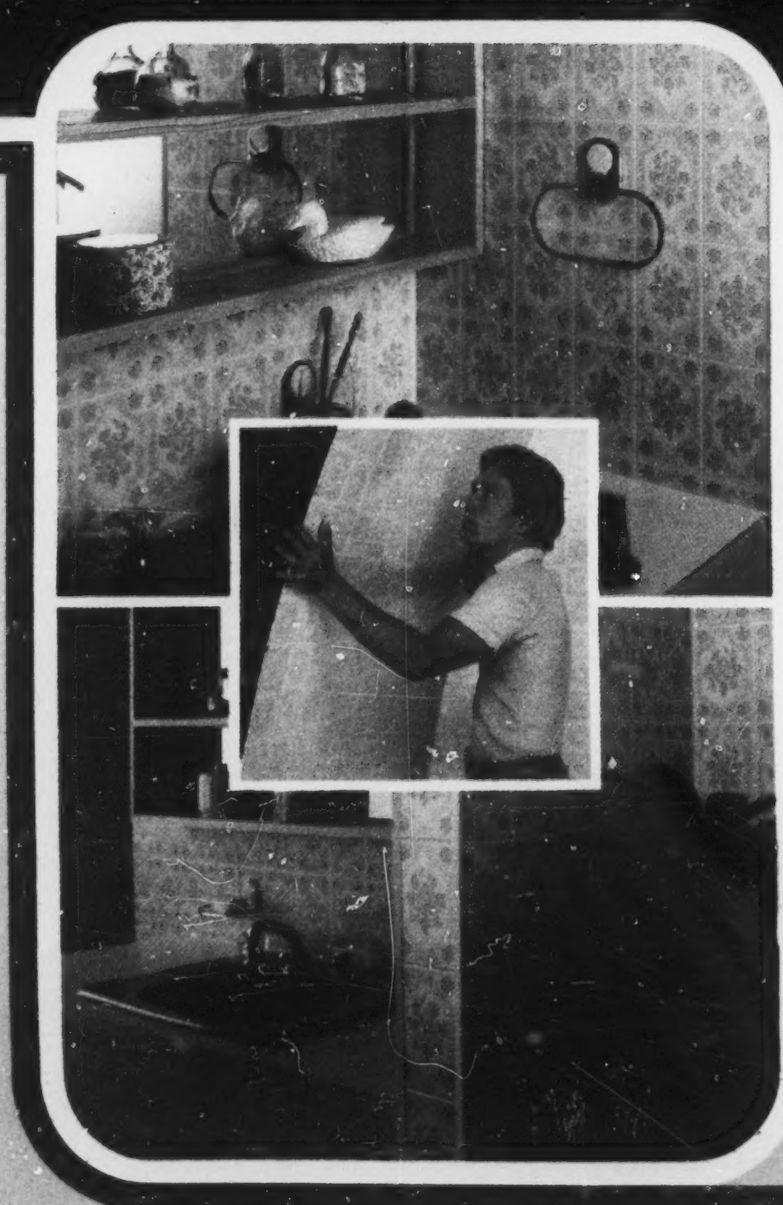
		As of 12/20	52-week High	52-week Low	P/E Ratio
Boise Cascade (NYSE)		43	47⅜	34½	25
Edison Bros. Stores (NYSE) [Handyman, Homer's]		41⅝	46¾	25¾	12
Evans Products (NYSE) [Alamo Ent., Grossman's, Moore's, Hubbard & Johnson, Lindsley]		9⅜	19½	7	—
Forest City (AMEX)	A	19¼	20⅛	9	55
	B	19⅝	20½	13	—
W. R. Grace (NYSE) [Angels, Cashway, Channel, Handy City, Handy Dan, Orchard]		46¼	50⅜	35¾	14
Lowe's (NYSE)		21¼	32¾	17¼	16
Michigan General (AMEX) [Diamond Lumber]		9¼	14	2¼	—
Pay 'N Pak (NYSE)		17½	24	15¼	16
Payless Cashways (NYSE) [Furrow]		22¾	34½	19	18
Scotty's (NYSE)		14⅞	21⅛	14⅛	14
Southwest Forest Industries (NYSE) [Dunlap's, Knox Lumber]		15¼	16½	9⅞	—
Standard Brands Paint (NYSE)		21½	28¾	17⅞	13

Nasdaq—over-the-counter stocks

		As of 12/1	52-week High	52-week Low	P/E Ratio
Color Tile		17⅜	27⅝	13⅝	—
Hechinger	A	16¾	24¼	15	—
	B	16¾	33¼	14½	—
The Home Depot		24¾	31¾	12	—
Pay 'n Save		24⅜	29¼	15⅜	—

Over-the-counter stocks

	As of 12/1 Bid	As of 12/1 Asked	52-week High (Bid)	52-week Low (Bid)
Erb Lumber	19	21	25	12¼
Hines Lumber	36½	38	41½	15½
Home Centers of America	9	9¼	15½	5
Home Centers of America [units]	28	—	51½	13¼
National Lumber	9¾	10¼	13¼	9¾
Scotts Seaboard [Scott's]	2¾	3½	4¾	⅞
Wolohan Lumber	5¼	5½	10⅛	5⅛



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FINANCIAL NEWS

Standard Brands posts 32.9% net income gain in third quarter

TORRANCE, Calif.—Standard Brands Paint's sales rose 13.1% to $79.6 million to help the company report a 32.9% gain in net income to $5.4 million during the third quarter ended Oct. 30 compared to the previous year.

Sales at Standard Brands Paint and Home Decorating Centers opened for more than a year were up 7.8% while volume at the Denver-based KWAL Paint outlets, acquired in April 1982, increased 23.8% in the period, they said.

The sales results were also helped by higher-than-expected volume of the company's Decade line of paint, according to officials.

They also attributed the earnings gain, which included $8,000 from the sale of real estate, to additional unit sales of self-manufactured products as a per cent of sales and continued implementation of cost controls as well as the overall sales gain.

FIFO gross margins increased from 44% a year ago to 44.8% in the third quarter based primarily on increased retail paint volume and increased productivity at the company's paint manufacturing plants, officials noted.

Standard Brands Paint's selling, general and administrative expenses in the quarter were up 5.3% to $24.9 million but as a per cent of sales, those expenses went down from 33.6% last year to 31.3% this year, company officials said.

Stock offering helps Home-Pro increase units

SAN ANTONIO—Home Centers of America, operators of five Home-Pro Warehouse stores, including four here, completed the sale of 800,000 common shares for $9.50 per share last month, underwriters D. H. Blair & Co. and William K. Woodruff & Co. announced.

The net proceeds from the $7.6 million offering are being used in part for the chain's expansion, including its debut by the spring in Houston and Lubbock, Tex., as well as other corporate purposes.

Company officials had initially intended to sell 600,000 shares (*NHCN*, Nov. 21, 1983) but raised the offering to meet demand.

The additional shares push the company's stock outstanding to better than five million shares.

Evans operating income up 16% in third quarter

PORTLAND, Ore.—Operating income and revenues at Evans Products' retail group rose 16% and 17%, respectively, during the third quarter as contractor volume rose almost 53% compared to the same period last year, officials said.

Contractor sales accounted for almost 15% of the total $273.9 million in third quarter revenues for the Evans chain, which includes Grossman's, Moore's, Lindsley, Alamo Enterprises and Hubbard & Johnson, they noted. For the entire year of 1982, contractor sales totaled 12% of volume.

Retail sales also grew by 13% on a year-to-year basis during the third quarter, helping boost the chain's operating profits to $25.1 million.

Officials said that while promotional activity resulted in a slightly lower gross margin, the percentage relationship of operating expenses to sales improved.

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LUMBER REPORT

Pine prices up, optimism high, but interest rates remain nagging

NATIONAL REPORT—Southern yellow pine prices have been soaring to near-record levels, probably on the strength of demand from treaters and truss plants.

"To try and put it in perspective," said William Knochel, assistant vp, Merrill Lynch Commodities, "about a month ago SYP eastside 2x4 cash prices were at a $60 premium to futures. Now the premium is at $100." His comments were made in late December.

"Now," he continued, "2x4 spruce could be delivered into the East United States cheaper than Southern yellow pine could be bought."

Tom Lindsey, Scotty's SYP buyer, noted that most pine 2x4s were selling last month at roughly 10% below their peak prices. Pine 2x4x12s sold at roughly $262 per thousand board feet, while record prices were set three years ago at about $298, Lindsey noted.

"A lot of people think prices could shatter right through that," he said.

Lindsey sees SYP 2x4x10s as the next potential big mover in price because so far that length has not rebounded as spectacularly as some others.

The SYP activity reflects last fall's lumber price movement generally. To an extent the market was a repeat of 1982, when lumber prices began to bounce back in October from the doldrums, with Western spruce going from about $125 to roughly $195 by January 1983.

"Last year there was a broader move," said Knochel, "although it hasn't been all species this year, a $20 and $30 move is nothing to sneeze at."

There are significant differences between this year and last, however, noted Chris Palmer, editor of Palmer's Lumber & Plywood Forecast. In the fall of 1982, production was just getting cranked up, while last fall it was at record levels. Also, there was virtually no inventory in the fall of 1982 and interest rates were falling.

Whether rates will continue to fall is the major question now for the lumber industry, Palmer feels. He suggests that the Federal Reserve could curb money growth early this year, an action that might drive rates up and lumber prices down.

Indeed, a recent survey by Random Lengths revealed that interest rates are the main concern of lumber dealers. Despite this worry, however, the same poll also showed considerable dealer optimism for this year: 80% of dealers nationwide thought this year would be better than last.

Palmer was not as optimistic as dealers about prospects for this year because he believes that, despite the coming election, the economy could be slowed.

"From my viewpoint 1980 was an election year and it was horrendous," he said. He expects lower prices early this year through summer.

Knochel takes a more bullish stance. Based on activity in the futures market during the late fall, he noted that many people were betting on increasing prices. Futures were at a substantial premium to cash markets in spruce and also some basis relationship items.

According to Knochel, the situation allowed some larger players to take a position on the cash market and sell futures against it. At one point the spruce 2x4s were priced at $157 in the cash market, while futures sold for $183.

Knochel noted that his office handled transactions covering roughly 500 cars of lumber on two or three different items during this period, with customers making $25 to $35 per thousand board feet on the difference between the cash and futures prices.

"Over the next 30 to 60 days I don't see much strengthening in pine. Down the road I see the whole complex going higher. The potential would be in items that are the bargains today. I think the whole picture will be higher down the road."

FUTURES

Two weeks ended Dec. 22, 1983

	High	Low	Close	Previous Week	Open* Interest	Contract High	Contract Low
LUMBER (CME)—130,000 bd. ft. spruce-pine-fir 2x4's; $ per 1,000 bd. ft.							
Jan. '84	174.50	165.20	165.70	173.00	2,558	234.00	165.20
March	187.70	179.50	183.10	186.60	2,623	240.50	179.50
May	195.00	189.50	191.70	192.50	1,073	245.50	189.50
July	202.00	197.00	199.10	201.00	449	252.50	197.00
Sept.	202.00	195.50	198.40	199.50	416	236.00	195.50
Nov.	202.50	196.00	198.20	199.20	154	228.80	196.00
Jan. '85	209.10	205.00	206.00	208.50	33	221.30	205.00

Total Contract Vol. (Through 12/22): 26,089 — Previous Two Weeks: 23,163
Total Open Interest (As of 12/22): 7,306 — Previous Week: 6,859
Cash Price: $166.60 — Previous Week: $170.52 — Year Ago: $171.50

PLYWOOD (CBT)—76,032 sq. ft. ½-in. ext. 4/5-ply; $ per 1,000 sq. ft.							
Jan. '84	197.00	193.30	195.00	196.50	290	223.00	179.70
March	200.80	196.80	198.50	200.80	224	225.00	183.00
May	203.50	200.60	201.50	203.50	87	208.50	187.50
July	204.50	202.00	203.00	204.50	25	210.00	190.50
Sept.	207.00	204.00	205.00	206.00	2	212.50	201.00
Nov.	Not	Trading					

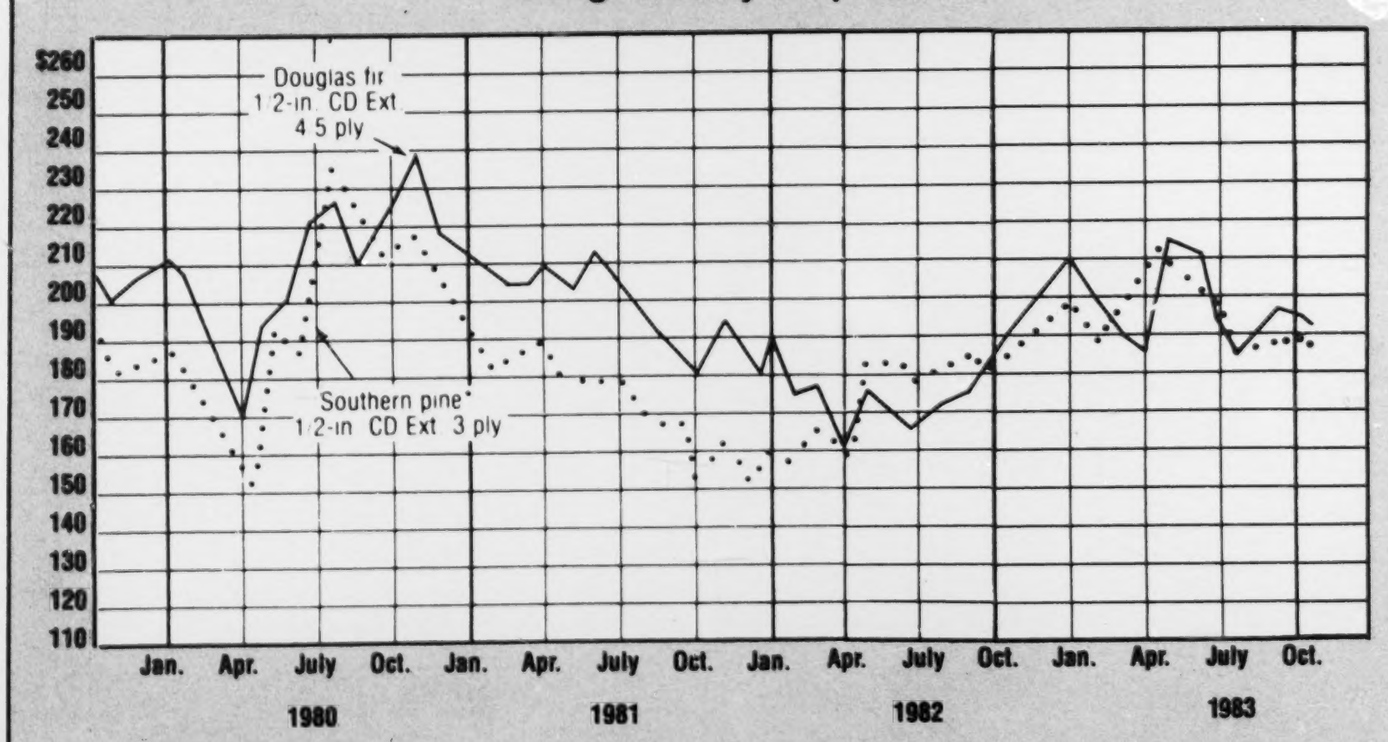
Total Contract Vol. (Through 12/22): 815 — Previous Two Weeks: 323
Total Open Interest (As of 12/21): 628 — Previous Week: 637
Cash Price: $198.94 — Previous Week: $197.96 — Year Ago: $166.20

COMMODITY RESEARCH BUREAU INDEX:	This Week	Previous Week	Year Ago
	—	—	—

CME—Chicago Mercantile Exchange — CBT—Chicago Board of Trade
*Figures for Thursday, 12/22.
Open Interest is the number of outstanding contracts for each delivery month not liquidated by an offsetting transaction or fulfilled by delivery.

Commodity close-up: Western & Southern Plywood

Average monthly mill prices



Plywood prices basically were even throughout the fall, although in early December there was some strengthening in western plywood prices, basically because of dealer demand and a lack of supply in the pipeline.

At the end of November, Douglas fir ½-in. CDX 4-5 ply sold for $193 per thousand square foot and Southern pine ½-in. CDX 3 ply dropped slightly to $189 per thousand square foot, according to Random Lengths.

Mich. General taps Brignole to head Diamond

(Continued from page 1)
at other retail companies like Payless Cashways and Lowe's, they operate in states that are contiguous. Diamond is a nationwide chain with many holes in between."

Consequently, there are no imminent plans for store expansion or contraction. Said Brignole, "We have our hands full now just taking on the subsidiary. We have enough to say grace over for 12 months."

Brignole did not rule out future store openings or closings, however. New stores might be located to "fill in some of the holes" in Diamond's nationwide network. The sale or closing of some units would not be new to Diamond, which shuttered about 25 units in the last two years under Diamond International's leadership.

Diamond lumber operates in five New England states, three Midwest states, Florida, Colorado, Wyoming, Texas, California, Idaho and Washington.

Vertical marketing planned

Michigan General's goals for its new far-flung venture remain the same as they were at the time of the acquisition. It hopes to increase consumer sales while also emphasizing contractor business to reach a 50%-50% mix (*NHCN*, Oct. 24, 1983). Currently DIY sales make up 35% of the chain's volume.

Additionally, Michigan General hopes to use the Diamond units in a vertical arrangement to market the Krestmark line of doors, windows and skylights.

At a recent meeting of the Financial Analyst Federation in Dallas last month, Michigan General officials reportedly told analysts that the Diamond acquisition would make better use of Krestmark's manufacturing capabilities, expand the manufacturer's geographical market by selling Krestmark products out of the Diamond stores and provide an opportunity for Krestmark's expansion into other products.

Brignole said Michigan General recently signed a licensee agreement with a German firm to sell vinyl windows.

"Michigan General said Krestmark will help Diamond in sales and marketing," said Jeffrey Beach, an analyst with Underwood Neuhaus.

While the Diamond purchase may put Krestmark products into new markets, Jessica Gallia, vice president of research of stock broker Eppler, Guerin & Turner, Dallas, said Krestmark must answer the question of its own distribution first.

With manufacturing facilities in Denver, Houston and Lewisville, Tex., and Hamilton, Ala., Krestmark may have to build another plant or a distribution facility to serve Diamond's widespread stores.

"We know we must address this," Brignole said.

To accommodate Diamond, Krestmark may manufacture more wood doors, he indicatd. In the past, much of Krestmark's business has been in aluminum products.

Michigan General itself has been in a major transition period in the last year and a half under Boudreau. The changes, in general, have been received favorably by analysts and by the stock market which has boosted Michigan General's common shares on the American Stock Exchange from under $2 per share a year ago to a 1983 high of $14 per share.

On Dec. 30, Michigan General stock closed at 9.13, a 265% jump over its 1982 year-end price, making it one of the year's 10 largest gainers on the American Stock Exchange.

Boudreau came to Michigan General in May 1982 after serving as president of Bel-Air Home Products and helping three of its subsidiaries out of Chapter 11 bankruptcy proceedings.

Although Michigan General was in better condition when Boudreau arrived, it had had an erratic recent history. Losses through 1981 had produced a $4.5 million retained earnings deficit in the company's balance sheet.

Boudreau and a staff of executives who had worked under Chapter 11 conditions at other companies worked quickly to reduce company debt, sold off portions of the company and tightened the firm's hold on its subsidiaries.

Writing off goodwill and reducing debt increased the retained earnings deficit to $13.3 million by the end of 1982, but through the first nine months of 1983, the company had net income of almost $6 million.

Among the recent moves to reduce debt and increase the company's net worth have been the offering of 110,000 units of common stock and debentures totaling $110 million. Some of the proceeds were used to redeem preferred stock used to fiance the $120 million Diamond deal.

In addition, Michigan General issued 1.7 million common shares and almost 600,000 warrants in exchange for $15.5 million of 10⅞% and 14% sinking-fund debentures due in 1992.

"The financing was important," said Eppler, Guerin & Turner's Gallia. "There was too much debt, in my opinion, on the balance sheet. Boudreau has a good handle on the company, but all this will take time."

Underwood Neuhaus' Beach noted, "The balance sheet is certainly a lot better than in the past. However, they have gone from five million shares to over 14 million full-diluted shares. Even if they do well, the huge jump in the number of shares will dilute earnings per share."

Core businesses established

Additionally, in the last two years, several subsidiaries, including a furniture retailer, paint and painting-related segments and highway products manufacturing divisions, have been sold. The divestiture phase is probably not complete, however.

Brignole confirmed that Michigan General is aiming to have Krestmark, Diamond and Savannah Wholesale, which operates 81 clothing stores under the Allied name in the Southeast, as its "core" businesses.

The company still operates a publishing company in New York, furniture stores in the Rio Grande Valley of Texas and a motor homes business among other divisions.

The company also underwent a management change in the second quarter of last year with the three top executives left from the pre-Boudreau era resigning their positions and directorships.

Chairman and ceo Charles E. Weed, vice president, administration, and secretary Dorothy H. Moore and vice president, general counsel Stanley G. Springer all left the firm after serving it since the late 1960's.

Michigan General is also considering a name change, officials confirmed. The current name actually is a leftover from the past when, in 1968, the company was organized "to succeed to the business of a coated abrasive manufacturing company founded in Michigan in 1947," according to the 1982 annual report.

Quipped Gallia, of Eppler, Guerin & Turner: "It [the current name] sounds like an insurance company."

Home centers report lofty Christmas sales

(Continued from page 1)
H&H Home Center sold $8,000 worth of cordless phones, which were endcapped in large quantity and discounted from $169 to $129.99, for a model which cost the store $114. The independent featured that item on the front of a holiday tab, along with a Black & Decker small vacuum and a rechargeable light. The store sold 200 of the vacuums for $26.99 and over 200 of the lights for $23.99.

The hottest items at Somerville Lumber were snow throwers, which also did well at other home centers such as Gee Lumber and Star Lumber.

"We bought 300 Toro snow throwers and advertised them from Nov. 27 to Dec. 10," said Harold Cohen. "By Dec. 8 we had sold out."

While the snow throwers were characterized by Cohen as the "most dynamic" items this Christmas, he also pointed to chain saws and micro-wave ovens as big items. The two Somerville stores sold hundreds of chain saws at $90.98 each, and from 200 to 300 ovens at $269.95, with a free telephone thrown in to stimulate sales.

High ticket merchandise moved well at Somerville in part because it was emphasized in its holiday tab.

Snow removal equipment was also popular at Star Lumber, where advertising manager David Gregory attributed sales to the memory local residents had of heavy snows the previous year.

When the chain ran a promotion from Nov. 6-24, promoting a $129 Toro snow shovel for $99, it sold out its stock of 144. It came close to selling out again the following month, when it ran another promotion that moved over 200 of the items.

Builderama not only added new lines of telephones and chain saws to its Christmas gift assortment, but also built up its inventory of tools, hand carts, step stools and socket sets. "Although we had carried these in the past, we brought in truckloads of them for the recent holiday season," said general manager Jim Smith.

Stambaugh-Thompson enjoyed "a very strong sell-through" in such departments as power tools, kerosene heaters and other heating equipment, according to Don Senne. As a result, the chain is not going into 1984 with excess merchandise, so gross margins in January and February will be kept high.

Many home centers said their Christmas tree and "trim-a-tree" departments were highly successful this year.

Scott's had dropped its trim-a-tree department four years ago, primarily because of the carry-over of stock, even after the stores had run their 50%-off clearance sales. This past Christmas, however, the chain re-entered the field.

"In the past four years, our store traffic has increased substantially," he said. "This encouraged us to take on a Christmas line again." Rather than buy from a variety of vendors, as it had done in the past, the chain picked one dependable vendor and bought its complete trim-a-tree line from there, insuring a better quality of merchandise.

As a result, the chain's carry-over was only 10% by the end of last month, and Fox said this would be easily disposed of in a clearance sale.

Peter Kuntz added trim-a-tree for the first time this past Christmas, in what Thomas Cawley called "a constant search for new business." The department was added to its three largest stores in Dayton, and was geared toward the medium-priced merchandise, as other stores in the area were offering either very expensive or very inexpensive lines.

Commerce Distributors, Linthicum Heights, Md., was not surprised by glowing reports from home centers concerning trim-a-tree sales. "Our sales of trim-a-tree department products are up 70% over Christmas a year ago," said Aaron Lessans, president of the company which distributed over $3 million worth of trim-a-tree products to 10 home center chains last Christmas, including Scott's, Hechinger and Hardware Fair.

"All of our home center customers reported Christmas sales increases of 30% to 50% this past season over the previous year," he said.

Moreover, Lessans expects next Christmas to be even better. "I've already placed a Christmas light commitment that is double what it was for this past season," he said.

Christmas trees also moved fast at home centers.

All American sold 17,000 fresh-cut Christmas trees at an average price of $14 with price points of $5.55, $15.99 and $18.99 selling about equally. The previous Christmas, the huge independent had sold 15,000 trees.

Gee Lumber sold through its inventory of a new line of artificial Christmas trees.

Somerville Lumber distributed one million copies of this tab to promote high ticket Christmas sales.

Housing growth to continue in '84

(Continued from page 2)
that in the first six months of 1984 their sales would be fair; 40% thought sales would be good to excellent.

The Northeast seemed the strongest region. No builder polled there about single-family sales said prospects were poor. The Northeast was also strongest in town house and condominium sales and in the number of prospective buyers visiting model homes.

The outlook is not universally upbeat, however.

The NAHB has been consistently critical of the size of the Federal deficit and that view continues to moderate builders' otherwise upbeat view of the near future.

"While builders are confident that the recovery will continue through the first half of 1984, they are greatly concerned that runaway Federal deficits will push up interest rates later in the year," NAHB president Harry Pryde noted in a prepared statement.

"That means builders will be scrambling to get their homes started and sold before interest rates start rising late in the year," he continued.

Meanwhile, existing single-family home sales were also strong last year relative to 1982. While the National Assn. of Realtors has not yet released its predictions for 1984 resales, it should be a sign of encouragement.

The NAR expects a 6.2% rise in the median price of an existing single-family home during 1984. Through last November the price rose 3.8% to $70,300 from $67,700 in 1982.

The total 1983 resales of existing single-family homes was expected to exceed 2.7 million, a 35% hike from the roughly two million resales in 1982, according to the realtors.

November's figures, released by the NAR in late December, show this upward trend continuing. Resales were 0.8% ahead of October at 2.63 million. As with the homebuilder survey, the strongest market was the Northeast.

How this second year of the housing recovery will unfold regionally is not completely clear. The home builders report that while strong single-family sales are expected to continue in certain markets, like Dallas-Fort Worth, Houston and Phoenix, those areas are overbuilt with multifamily units and production should slow. Smith Barney's Alexander notes that a similar situation could be true of Denver and Atlanta.

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KITCHEN & BATH SUPPLEMENT:
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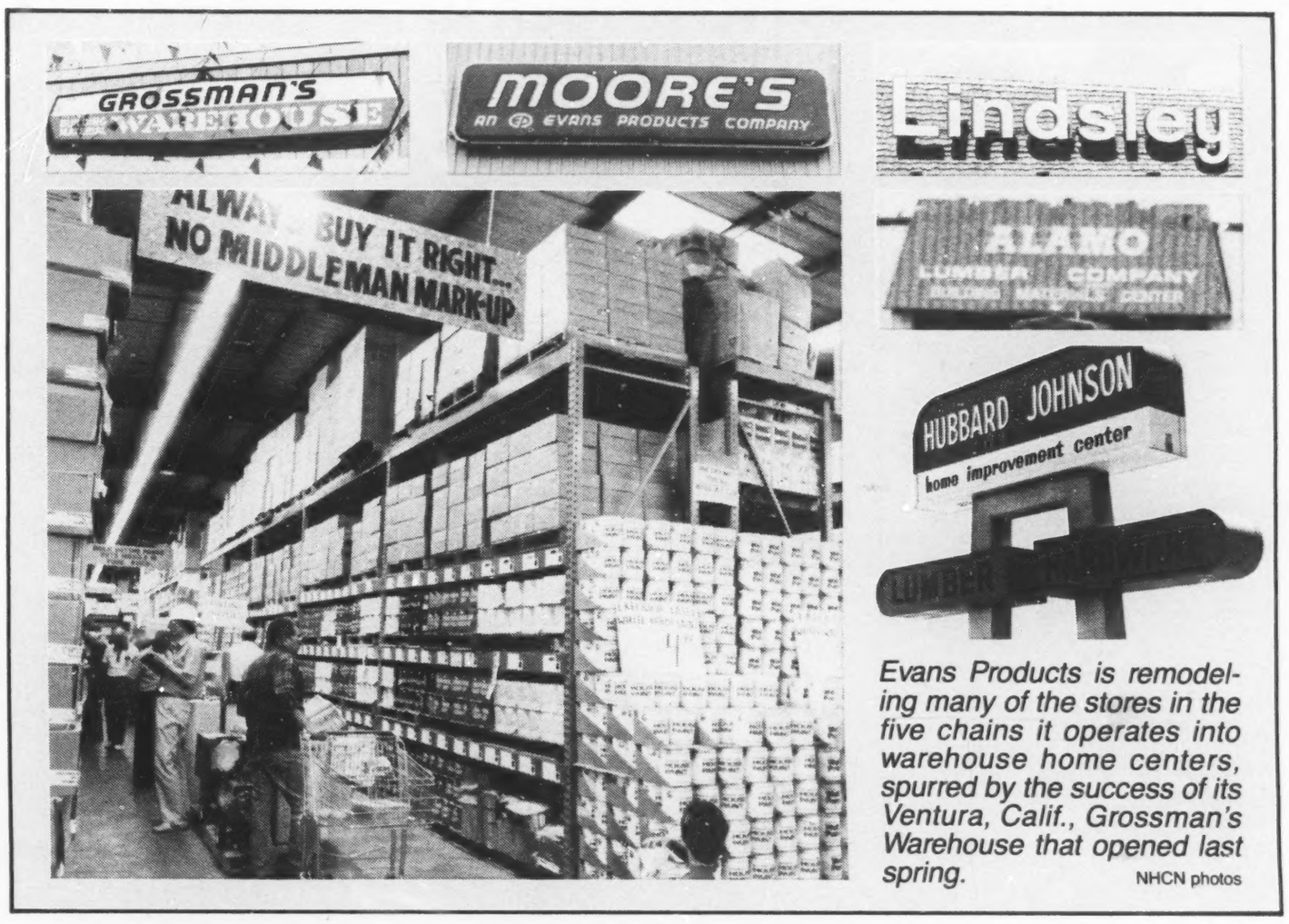
Home Center News ®

Vol. 10, No. 3 The newspaper for retailers serving homeowners and contractors. Published by Lebhar-Friedman Inc. January 30, 1984

Evans mobilizes for warehouse store rollout



Evans Products is remodeling many of the stores in the five chains it operates into warehouse home centers, spurred by the success of its Ventura, Calif., Grossman's Warehouse that opened last spring. NHCN photos

By Brad Altman
NHCN West Coast editor

BRAINTREE, Mass.—Evans Products' retail group is making a major commitment to warehouse home center retailing that will touch the five chains the company runs nationally.

Certain locations now operated as Grossman's, Lindsley and Moore's units will be remodeled as warehouses. Some new stores for each of those chains will also be warehouse operations. The Hubbard & Johnson and Alamo chains may also be affected.

Early this year Grossman's will enter the Los Angeles market with a warehouse in Paramount, a suburb. The chain will also open two large warehouse units in central New Jersey and convert a California and Pennsylvania store. Four Lindsley's will soon be converted in Florida and two Moore's in North Carolina. New Evans sites will be sought in the San Francisco Bay area.

To implement this warehouse strategy a new division was created to oversee store development in the Southwest. Additionally, other retail group divisions have formed special management teams to articulate the warehouse approach in their respective chains.

Evans took its first step in the warehouse direction last spring with the opening of the Ventura Grossman's Warehouse (*NHCN*, June 6, 1983). That test was followed with a second store in Stockton, Calif., and further experimentation with three Grossman's units on Long Island (*NHCN*, Nov. 21, 1983). Grossman's has also adapted the warehouse racking and bulk display approach in its Saugus, Mass., unit.

Evans retail group president Maurice "Mike" Grossman characterized the current developments as more of the same.

"This is a push for major store experimentation," he told *NHCN* during a telephone interview. "In every division we're doing a little something. All we're doing is running some experiments in the five divisions."

Reportedly, the original California and Long Island experiments have proved successful, more than doubling the volume of a typical Grossman's, estimated at under $3 million. (The average Evan's store generated $2.3 million in 1982.) Further success and continued warehouse conversion would have major implications for the home center industry because of Evans' large size, with 345 stores in 20 states and volume last year estimated at about $900 million.

"The retail group is taking an aggressive, pro-active [as opposed to reactive] stand, not only to protect our current market share, but also to take part in the warehouse revolution that is taking place in our industry," Grossman noted in a recent prepared statement. He added, however, "Under no con-

(Continued on page 62)

Lowe's 'store of the future'

Lowe's new prototype in Mauldin, S.C., emphasizes stylish displays of higher-end merchandise and a deeper product mix. Above, kitchen and bath area showcases cabinets, sinks and appliances in more life-like settings, with a new graphic look to its signing. See story, page 15.

NEWSBREAKS

HAL'S CLOSES A STORE. Hal's has closed its unit at 124th Street and Capitol Drive in Milwaukee, leaving it with a single store in the city. President Robert Nahodil said the company "couldn't get the store to break even" after 19 months in operation. Officials are seeking to acquire a new store site in West Allis, Wis.

NEW SOMERVILLE UNIT SET. Somerville Lumber expects to open its third unit by July, a 112,000-sq.-ft. facility including warehouse space, located south of Boston in West Bridgewater, Mass.

INSIDE:

BUSY BEAVER tests an appliance/TV department that could be expanded in more of the chain's 28 outlets ..... Page 3
OPTIMISM FOR A STRONG YEAR ran high at the Northeast Retail Lumbermens Assn. convention in Boston ..... Page 3
AN OHIO ENTREPRENEUR turns a 132-year-old grain mill into a modern home center while retaining the building's 19th century design ..... Page 3

South Florida independent plugs into shop-at-home video network

Nation's 1st hardware dealer to join Viewtron gears up for the future

By Phillip M. Perry
NHCN associate editor

MIAMI BEACH—Central True Value Hardware, a $3 million family-run operation in this resort town, has become the first hardware store in the nation to offer merchandise over a videotex shopping service.

Now celebrating its 30th anniversary, Central joined a videotex service called Viewtron earlier this month, a move intended to position the store on the threshold of what it sees as the dawn of electronic shopping.

Viewtron, a Knight-Ridder subsidiary, became America's first operating videotex service when it began last November, and is still the only one operating in the nation. Two additional videotex services, Keycom and Gateway, are slated to begin operation by summer.

A videotex service allows customers to review descriptions of merchandise in their homes over video terminals called order entry devices, and also to order such merchandise by punching the right buttons on a keyboard. Messages are transmitted electronically over public telephone lines.

"Videotex is going to be an important way to do business in the not-too-distant future," said Jack Siegel, president of Central Hardware, a firm run by three brothers. He added he did not expect the new shopping service to "go great guns immediately," but that by getting on early the store was positioning itself for future growth.

"When you read about electronic banking and electronic retailing in the media, you get a gut feeling it's going to happen," he said.

Videotex offers the store a natural extension of its traditional merchandising strategy, added Siegel. "Ever since we opened, we have offered free delivery to the Miami Beach area," he said. "A significant

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Winter Hardware Show: over 380 new vendors but big names missing

By John Caulfield
NHCN senior editor

LAS VEGAS, Nev.—Attendance at this year's second annual Winter Hardware & Home Center Show is expected to surpass the 21,000 mark set in 1983, but industry officials coming here next month will probably find the complexion of exhibitors different from a year ago.

The total number of vendors exhibiting has dropped to 750 from 915 last year, and only 60% of those companies taking booths last year have signed up to exhibit again. However, more than 380 new suppliers will be showing their products at the convention center from Feb. 11-13.

Moreover, 47% of the vendors participating in this year's show did not exhibit at the National Hardware Show in Chicago last August, according to a survey conducted by the show's sponsor, the American Hardware Manufacturers Assn. (AHMA).

The physical size of the show has dropped correspondingly to 170,000 sq. ft., from 200,000 sq. ft. in 1983, with show management still charging last year's $10.25 per square foot.

Winter Hardware & Home Center Show exhibition hours and Hard Lines Conference seminar schedule, page 4

Along with the show's revised vendor make-up, dealers will also find more attention has been paid by show organizers to scheduling stronger seminars

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